

FORM 3

APPLICATION FOR PERMIT TO DRILL

24. **PROPOSED CASING AND CEMENTING PROGRAM**

25. ATTACHMENTS

☒ COMPLETE DRILLING PLAN

☒ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 12-05-06
By: B. G. A.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Other: _____

13. Lessee's or Operator's Representative and Certification

Representative:

Name: R. E. Knight

Title: Agent

Address: 1645 Court Pl., Suite 301, Denver, Colorado 80202

Phone No.: 303-808-5672

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Tidewater Oil & Gas, LLC and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application; with bond coverage being provided under BLM bond no. UTB-000211. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.


Signature

Agent/ Operations Engineer

Title

October 9, 2006

Date



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3160
(UT-922)

October 23, 2006

Samson Resources Company
Suite 3000
370 17th Street
Denver, CO 80202

Re: Salt Valley Anticline Unit
Grand County, Utah

Gentlemen:

Pursuant to the request of October 19, 2006, the second obligation well for the Salt Valley Anticline Unit is now the Tidewater 29-44-2119 located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 29 Township 21 South, Range 19 East, Grand County Utah. The formation and depth requirement remain the same as in the original approval.

The request is hereby approved. If you have any questions please contact Mickey Coulthard of this office at (801) 539-4042.

Sincerely,

/s/ Douglas F. Cook

Douglas F. Cook
Chief, Branch of Fluid Minerals

bcc: Field Office Manager – Moab
File – Salt Valley Anticline Unit
SITLA
Central Files
Agr. Sec. Chron
Fluid Chron
Tickler (December 2006)

MCoulthard:mc:10-23-06

RECEIVED

OCT 24 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MOAB FIELD OFFICE

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-76060	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Tidewater Oil & Gas, LLC		7. If Unit or CA Agreement, Name and No. Salt Valley Anticline	
3a. Address 1645 Court Pl. Suite 301, Denver, Co 80202		8. Lease Name and Well No. FEDERAL 29-44-2119	
3b. Phone No. (include area code) 303-468-0656		9. API Well No.	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 802 FSL & 1273 FSL FEL At proposed prod. zone 802 FSL & 1273 FSL FEL		10. Field and Pool, or Exploratory Exploratory	
11. Sec., T. R. M. or Blk. and Survey or Area SESE Sec 29, T21S, R 19E		12. County or Parish Grand	
13. State UT		14. Distance in miles and direction from nearest town or post office* 7 mi to Thompson Springs post office	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 802 FT		16. No. of acres in lease 1080.75	
17. Spacing Unit dedicated to this well 160		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1590 FT	
19. Proposed Depth 5000		20. BLM/BIA Bond No. on file UTB-000211	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) GL 4967 ft		22. Approximate date work will start* 11/15/2006	
23. Estimated duration 14 days		24. Attachments	

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature <i>RE Knight</i>	Name (Printed/Typed) R. E. Knight	Date 10/03/2006
Title Operations Engineer		

Approved by (Signature) <i>/s/ Assistant Manager</i>	Name (Printed/Typed) <i>/s/ Assistant Manager</i>	Date 11/17/06
Title Assistant Field Manager, Division of Resources		Office Division of Resources Moab Field Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOV 24 2006

DOGM

ENV. OF CL.

Range 19 East

(N89°56'W - 5277.36')

Township 21 South
(N00°01'E)

29

FEDERAL #29-44-2119
ELEV. 4967.0'

802.26'
UTM
N 4311889
E 600726

S89°55'01"E - 2642.10'

S89°52'49"E - 2632.01'

(N89°57'W - 5277.36')

N00°00'57"W - 2640.61'

(N00°02'E)

N00°00'38"E - 2638.66'

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

Basis of Elevation of 4961' being at the Southeast Corner of Section 29, Township 21 South, Range 19 East, Salt Lake Base and Meridian, as shown on the Crescent Junction Quadrangle 7.5 minute series map.

Description of Location:

Proposed Drill Hole located in the SE/4 SE/4 of Section 29, T21S, R19E, S.L.B.&M., being North 802.26' from the South Line and West 1272.60' from the East Line of Section 29, T21S, R19E, Salt Lake Base & Meridian.

Surveyor's Certificate:

I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon @etv.net

TIDEWATER

FEDERAL #29-44-2119
Section 29, T21S, R19E, S.L.B.&M.
Grand County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 10/10/06
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2616

Legend

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
- △ Calculated Corner
- () GLO
- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
38°57'07.345"N
109°50'15.369"W

GRAPHIC SCALE

0 500' 1000'
(IN FEET)
1 inch = 1000 ft.

Tidewater Oil & Gas, LLC
Federal 29-44-2119
Lease UTU-76060
Salt Valley Anticline Unit
SE/SE Section 29, T21S, R19E
Grand County, Utah

**A COMPLETE COPY OF THIS APPROVED PERMIT
and Conditions of Approval shall be maintained on location during all construction and
drilling operations, and shall be available to contractors to ensure compliance.**

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Tidewater Oil & Gas, LLC is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by BLM bond no. **UTB000211** (Principal – Tidewater Oil & Gas, LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

The operator is fully responsible for the actions of his subcontractors.
All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. Failure to comply with the provisions of this permit, including applicable regulations, stipulations, and/or approval conditions, will be considered a violation subject to the enforcement provisions of 43 CFR Subpart 3163.

A. DRILLING PROGRAM

1. The 3M BOPE, as proposed, is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. The requirements for air drilling, found in Onshore Oil and Gas Order No. 2, part III, E (Special Drilling Operations), shall be followed.

B. SURFACE USE PLAN

1. In order to protect nesting raptors, no road/well pad construction or drilling operations will be authorized within 0.5 mile of raptor nesting sites between March 1 and August 31. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
2. In order to protect pronghorn antelope during the fawning period, no road/well pad construction or drilling operations will be authorized between May 1 and June 15. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the Moab Field Office.
3. The operator shall maintain the Grand County roads in a safe, usable condition, as directed by the Grand County Road Department. The maintenance program shall include, but is not limited to, blading, ditching, installing culverts, and if needed, surfacing the road with rock materials. The operator shall conduct all activities associated with the Grand County roads within the existing surface disturbances of the maintained roads. The operator shall repair all damages to the county roads resulting from traffic associated with constructing, drilling, and producing the 29-44-2119 Well.
4. The reserve pit at the No. 29-44-2119 Well will be lined with a synthetic liner of at least 16 mils, with a permeability not to exceed 1×10^{-7} cm/sec.
5. The operator will be responsible for weed control on the disturbed areas within the limits of the well pad and road construction. The operator will be responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Moab Field Office, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Oil and Gas Operations Reports (OGORs)- Production from this well shall be reported to Minerals Management Service (MMS) on a monthly basis.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Moab Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample descriptions, directional surveys, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Rich McClure (435-259-2127) or Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation (McClure);

1 day prior to spud (Johnson);

50 feet prior to reaching the surface casing setting depth (Johnson);

3 hours prior to testing BOPs (Johnson).

If the people at the above numbers cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: 435-259-2117
Home: 435-259-2214



195 North 100 West P.O. Box 1230
Huntington, Utah 84528
Phone (435) 687-5310 Fax (435) 687-5311
E-Mail talon@utv.net

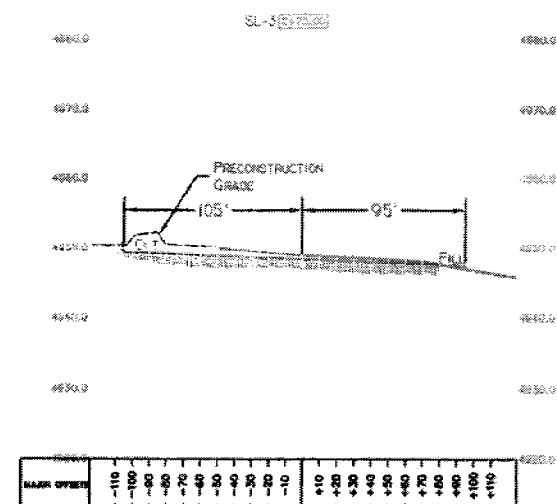
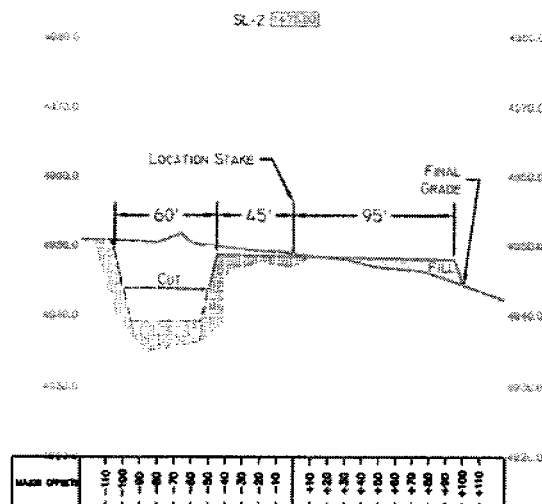
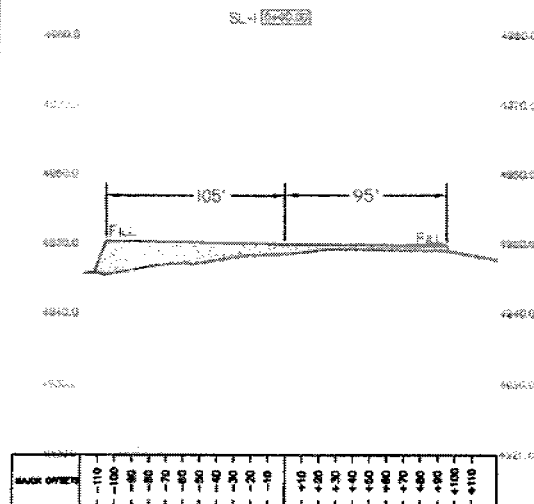
LOCATION LAYOUT
Section 29, T21S, R19, S.L.B.&M.
FEDERAL #29-44-2119

Checked By:
L.W.J.

Date: 10/10/06

Scale:
1" = 60'

Job No.
2616



APPROXIMATE YARDAGES

(6") TOPSOIL STRIPPING = 1,020 Cu. Yds.

TOTAL CUT (INCLUDING PIT) = 3,070 Cu. Yds.

TOTAL FILL = 945 Cu. Yds.

1" = 10'
X-Section
Scale
1" = 40'

SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1236
Huntington, Utah 84528

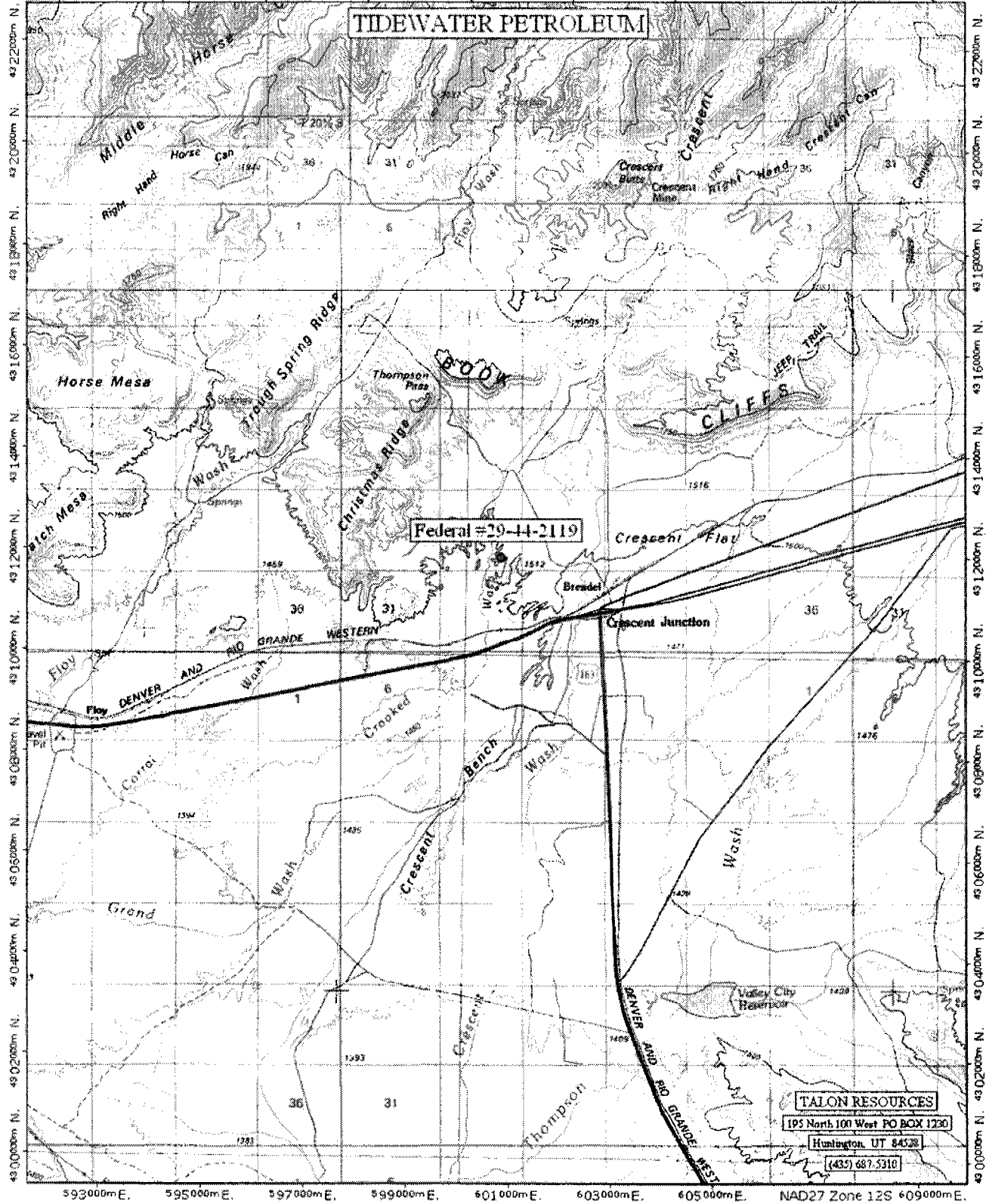
Phone (435) 687-5310 Fax (435) 687-5311
E-Mail: talon@evx.net

TIDEWATER

TYPICAL CROSS SECTION
Section 29, T21S, R19E, S.L.B.&M.
FEDERAL #29-44-2119

Drawn By: N. BUTKOVICH	Checked By: L.W.J.
Drawing No. C-1	Date: 10/10/06
	Scale: 1" = 100'
Sheet 3 of 4	Job No. 2616

592000mE. 594000mE. 596000mE. 598000mE. 600000mE. 602000mE. 604000mE. NAD27 Zone 12S 609000mE.



TM MN
12⁶

Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/30/2006

API NO. ASSIGNED: 43-019-31511

WELL NAME: Cactus Rose
FEDERAL 29-44-2119

OPERATOR: TIDEWATER OIL & GAS (N3000)

PHONE NUMBER: 303-468-0656

CONTACT: R.E. KNIGHT

PROPOSED LOCATION:

SESE 29 210S 190E

SURFACE: 0802 FSL 1273 FEL

BOTTOM: 0802 FSL 1273 FEL

COUNTY: GRAND

LATITUDE: 38.95209 LONGITUDE: -109.8377

UTM SURF EASTINGS: 600716 NORTHINGS: 4311894

FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-76060

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: NAVA

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB 000211)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. MUNICIPAL)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

____ R649-2-3.
Unit: SALT VALLEY ANTICLINE
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
☒ R649-3-3. Exception
____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1. Depth Approval

2. Spacing Slip

T21S R19E

SALT VALLY ANTICLINE

BLAZE "E" 1

29

FEDERAL
29-24-2119

FEDERAL
29-44-2119

LILY ANN 1

TIDEWATER
ST 32-3

OPERATOR: TIDEWATER O&G CO (N3000)

SEC: 29 T.21S R. 19E

FIELD: WILDCAT (001)

COUNTY: GRAND

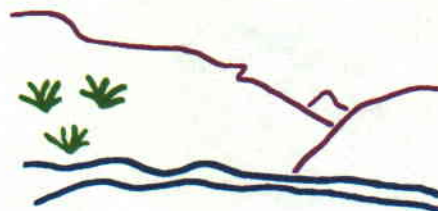
SPACING: R649-3-3 / EXCEPTION LOCATION

Field Status
 ABANDONED
 ACTIVE
 COMBINED
 INACTIVE
 PROPOSED
 STORAGE
 TERMINATED

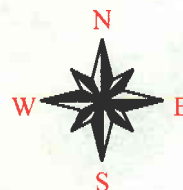
Unit Status
 EXPLORATORY
 GAS STORAGE
 NF PP OIL
 NF SECONDARY
 PENDING
 PI OIL
 PP GAS
 PP GEOTHERML
 PP OIL
 SECONDARY
 TERMINATED

Wells Status

GAS INJECTION
 GAS STORAGE
 LOCATION ABANDONED
 NEW LOCATION
 PLUGGED & ABANDONED
 PRODUCING GAS
 PRODUCING OIL
 SHUT-IN GAS
 SHUT-IN OIL
 TEMP. ABANDONED
 TEST WELL
 WATER INJECTION
 WATER SUPPLY
 WATER DISPOSAL
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
 DATE: 1-DECEMBER-2006

TIDEWATER OIL & GAS COMPANY LLC

1645 Court Place, Suite 301

Denver, Colorado 80202

(303) 468-0656

December 1, 2006

Utah Natural Resources
Salt Lake City, Utah

Re: **Cactus Rose Federal 29-44-2119** – Location Exception

SESE Sec 29, T21S, R19

802 FSL 1273 FEL

Federal Lease - UTU-76060

Dear Diana:

Tidewater Oil & Gas, LLC requests an exception to the above mentioned location. This well required moving due to surface features, and the request of the BLM. Tidewater Oil & Gas LLC is the only owner in a 460' radius of the proposed well.

Your assistance in this matter is greatly appreciated. If you have questions, please call me at (303)808-5672.

Thank You,
Tidewater Oil & Gas Company, LLC

A handwritten signature in black ink that reads "Roger Knight". The signature is written in a cursive, flowing style.

Roger Knight, Agent

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

December 1, 2006

Memorandum

To: Assistant Field Office Manager Resources,
Moab Field Office

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Salt Valley Anticline Unit, Grand
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2006 within the Salt Valley Anticline Unit, Grand County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Navajo)

43-019-31511 Federal 29-44-2119 Sec 29 T21S R19E 0802 FSL 1273 FEL

This well was approved as the second obligation well for the Salt Valley Anticline Unit on 10/23/2006.

/s/ Michael L. Coulthard

bcc: File – Salt Valley Anticline
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:12-1-06

Range 19 East

(N89°56'W - 5277.36')

Township 21 South

(N00°01'E)

29

N00°00'57"W - 2640.61'

(N00°02'E)

N00°00'38"E - 2638.66'

S89°55'01"E - 2642.10'

S89°52'49"E - 2632.01'

(N89°57'W - 5277.36')

FEDERAL #29-44-2119
ELEV. 4967.0'

802.26'

UTM
N 4311889
E 600726

1272.60'

Legend

- Drill Hole Location
- ⊙ Metal Cap (Found)
- Brass Cap (Searched for, but not found)
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- GPS Measured

NOTES:

1. UTM and Latitude / Longitude Coordinates are derived using a GPS Pathfinder and are shown in NAD 27 Datum.

LAT / LONG
38°57'07.345"N
109°50'15.369"W

Location:

The well location was determined using a Trimble 5700 GPS survey grade unit.

Basis of Bearing:

The Basis of Bearing is GPS Measured.

GLO Bearing:

The Bearings indicated are per the recorded plat obtained from the U.S. Land Office.

Basis of Elevation:

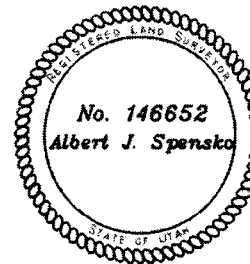
Basis of Elevation of 4961' being at the Southeast Section Corner of Section 29, Township 21 South, Range 19 East, Salt Lake Base and Meridian, as shown on the Crescent Junction Quadrangle 7.5 minute series map.

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I, Albert J. Spensko, a Registered Professional Land Surveyor, holding Certificate 146652 State of Utah, do hereby certify that the information on this drawing is a true and accurate survey based on data of record and was conducted under my personal direction and supervision as shown hereon.



TALON RESOURCES, INC.

195 North 100 West P.O. Box 1230

Huntington, Utah 84528

Phone (435)687-5310 Fax (435)687-5311

E-Mail talon@ctv.net

TIDEWATER

FEDERAL #29-44-2119

Section 29, T21S, R19E, S.L.B.&M.

Grand County, Utah

Drawn By: N. BUTKOVICH	Checked By: L.W.J./A.J.S.
Drawing No. A-1	Date: 10/10/06
	Scale: 1" = 1000'
Sheet 1 of 4	Job No. 2616

GRAPHIC SCALE

0 500' 1000'

(IN FEET)

1 inch = 1000 ft.

DESIGNATION OF AGENT

The undersigned is, on the records of the Bureau of Land Management, unit operator under the Salt Valley Anticline Unit Agreement, Grand County, Utah No. UTU76060 approved and effective on June 23, 2006, and hereby designates:

Name: Tidewater Oil & Gas Company, LLC
Address: 1645 Court Place, Suite 301
Denver, CO 80202

as its agent, with full authority to act on its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the authorized officer or his representative may serve written or oral instructions in securing compliance with the oil and gas operating regulations with respect to drilling, testing, and completing unit well No. 29-44-2119 in the SE¼SE¼, Sec. 29, T.21S, R.19E, Grand County, Utah. Bond coverage will be provided under (Statewide, Nationwide, Lessee) Bond No. CB#394312163477.

It is understood that this designation of agent does not relieve the unit operator of responsibility for compliance with the terms of the unit agreement and the oil and gas operating regulations. It is also understood that this designation of agent does not constitute an assignment of any interest under the unit agreement or any lease committed thereto.

In case of default on the part of the designated agent, the unit operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The unit operator agrees promptly to notify the authorized officer of any change in the designated agent.

This designation of agent is deemed to be temporary and in no manner a permanent arrangement and a designated agent may not designate another party as agent.

This designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this designation of agent is limited to the field operations performed while drilling and completing the specified well and does not include administrative actions requiring specific authorization of the unit operator. This designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Bureau of Land Management all reports and a Well Completion Report and Log (Form 3160-4) as required by the approved Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well form and submittal of the form to the appropriate office of the authorized officer.

Unit Operator:

SAMSON RESOURCES COMPANY

By: _____

Rich Frommer
Vice President

Address: Suite 3000
370 17 th Street, St. 3000
Denver, CO 80202

APPROVED - EFFECTIVE OCT 23 2006

**CHIEF, BRANCH OF FLUID MINERALS
BUREAU OF LAND MANAGEMENT**

STATE OF Colorado §
COUNTY OF Denver §

The foregoing instrument was acknowledged before me by Rich Frommer as Vice President of Samson Resources Company

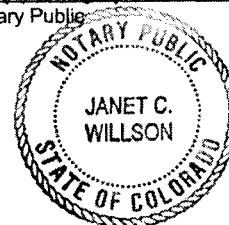
This 18th day of October 2006

WITNESS my hand and official seal.

Janet C. Willson
Notary Public

My commission expires:

My Commission Expires
06/11/2010



Cactus Rose Federal 29-44-2119

SESE Sec 29, T21S, R19

802 FSL 1273 FEL

Elevation = 4967' ground level

Tidewater Oil & Gas, LLC

James Jones, Manager

1645 Court Pl, Ste 301

Denver, Co. 80202

303-468-0656

Cactus Rose Federal 29-44-2119

Contact Phone Number

R.E. Knight - 303-808-5672

Lease Type

Federal Lease - UTU-76060

Water Rights

Water used for drilling and completion operations will be purchased from the City of Thompson Springs for this project.

Estimated Formation Tops

Mancos - surface
Dakota silt - 2300
Dakota sandstone 2490 - HC
Morrison - 2840
Moab Tongue 3540 - HC
Carmel 4290 - HC
Navajo 4330 - HC
TD - 5300'

Any anticipated water would be covered by the surface casing set at 500'

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Elevation = 4967' ground level

Drilling Program

1. Move in. Rig up
2. Drill and cement conductor pipe to 12'. Cement pipe with cement to surface. Wait on cement for 12 hours.
3. Drill 12 1/2" hole to ± 500 ft. using air/mist/fresh water system. Take directional survey at 250' and at 500'. Rig up mud logging equipment. Samples will be taken every 15' from surface casing to total depth.
4. Run surface pipe to ± 500 '. Cement casing in hole from TD to surface. Estimate 300 cf of cement required. Surface Pipe: Lead = 125 sx, 287 cf, 51 bbl, Prem lite +8% bentonite +2% cc+.25 #/sx cello flake, 2.28 cf/sx, 12 ppg _ Tail = 100 sx, 141 cf, 25 bbl, Type III + .5 #/sx cello flake + 2% CC, 1.41 cf/sx, 14.5 ppg_
5. Wait 12 hours on cement. Install casing head.
6. Rig up BOPE equipment. Test BOPs to 2000 psi. Test casing to 1500 psi. Rig up mud logging equipment. Samples will be taken every 15' from surface casing to total depth.
7. Drill 7 7/8" hole from 500' to 2500' using air/ air mist. Take deviation survey every 250'. Use low solids dispersed mud from 2500' to TD. Drill hole to match casing length.
8. Circulate hole with a low solids dispersed mud. Run Resistivity log, Gamma Ray, Neutron Log, Sonic, and Dip Log from total depth to surface casing.
9. Run production casing to TD. Cement casing from TD to surface casing with 480 cubic feet of Production Casing: 1st stage= 478.6 cf, 85 bbls, 338 sx (50 50) Poz Type III cement + 0.05 #/sx static freee+ .4% bwoc %-3 + 0.0% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx
Through DV tool
2nd stage = 315.8 cf, 56 bbls, 223 sx (50 50) Poz Type III cement + 0.05 #/sx static freee+ .4% bwoc %-3 + 0.0% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx Centralizers will be run on bottom 3 joints & across any potential producing zone. Land casing with Model R casing head.
10. Rig down. Move rig off location.

Cactus Rose Federal 29-44-2119

SESE Sec 29, T21S, R19

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Elevation = 4967' ground level

Well Equipment and Procedures**Anticipated Water bearing formations**

Surface casing set and cemented to 500' will isolate and protect any potential fresh water zones encountered. Any other water or hydrocarbon bearing zones below 500' will be isolated with casing and cement when the well is cased.

Pressure Control Equipment

Well will utilize a 3000 psi BOP. The BOP will have a pipe rams, blind rams and a hydril. A rotating head will be utilized while drilling with air. All BOPs will be tested to 2000 psi when the equipment is installed and if the integrity of the pressure control system is compromised during drilling operations.

Casing Program**Casing**

Run guide shoe and fill-up collar one joint above bottom. Install centralizers on every other joint of casing. Add centralizer across all productive zones.

Surface pipe – 8 5/8", 24 #/ft, J55

Production – 5 1/2", 15.5 #/ft, J55

Cementing

Surface pipe will be cemented to surface using redi-mix cement or Surface Pipe: ____ Lead = 125 sx, 287 cf, 51 bbl, Prem lite +8% bentonite +2% cc+.25 #/sx cello flake, 2.28 cf/sx, 12 ppg _ Tail = 100 sx, 141 cf, 25 bbl, Type III + .5 #/sx cello flake + 2% CC, 1.41 cf/sx, 14.5 ppg.

Production string will be cemented from TD to above any potential producing intervals using Production Casing: 1st stage= 478.6 cf, 85 bbls, 338 sx (50 50) Poz Type III cement + 0.05 #/sx static free+ .4% bwoc %-3 + 0.% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx

Through DV tool

2nd stage = 315.8 cf, 56 bbls, 223 sx (50 50) Poz Type III cement + 0.05 #/sx static free+ .4% bwoc %-3 + 0.% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx.

Centralizers will be run on bottom 3 joints & across any potential producing zone. Cement volumes to be confirmed from logs. Fifty percent excess will be included in calculations. An estimated 480 cu. ft of 12 ppg cement will be used to cement the casing. All potential producing zones will be covered with cement.

Circulating Medium

Cactus Rose Federal 29-44-2119

SESE Sec 29, T21S, R19

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Elevation = 4967' ground level

The well will be drilled utilizing air or air mist. If required, a nondispersed, low solids 9.0 ppg mud will be used in the well. Adequate weight material will be on location to be able to contain any unforeseen formation pressures during the drilling operations. Viscosity will be maintained at 40 for logging.

A gel/soda ash (no caustic) mud with Drispac-R, use about 7-10 #/BBL GEL & Pac to get a 32-34 funnel vis. A WL around 10-12 will be programmed. 2% CaCl will be used for shale inhibition. Additional inert, non-toxic additives could be utilized if conditions dictate. _

Well Testing

Mud Logging

An on-site geologist will be on location from surface to total depth. Take samples every 15 feet while drilling. Hydrocarbon monitoring and detection equipment will be utilized during drilling operations.

Logging Program

The well will be logged from TD to surface casing with a Resistivity log, Gamma Ray log and Compensated Neutron Log, Sonic and Dip Meter.

Deviation

Take deviation survey every 250'. Maximum change will be 2° between surveys. This will be a vertical well.

Anticipated Pressures & Potential hazardous conditions

Anticipated formation pressures will be under hydrostatic gradient. Expected bottom hole pressure is estimated to be 2000 psi.

No abnormal pressures or temperatures are anticipated.

No hydrogen sulfide gas is anticipated.

Adequate weight material will be on location to be able to contain any unforeseen formation pressures during the drilling operations.

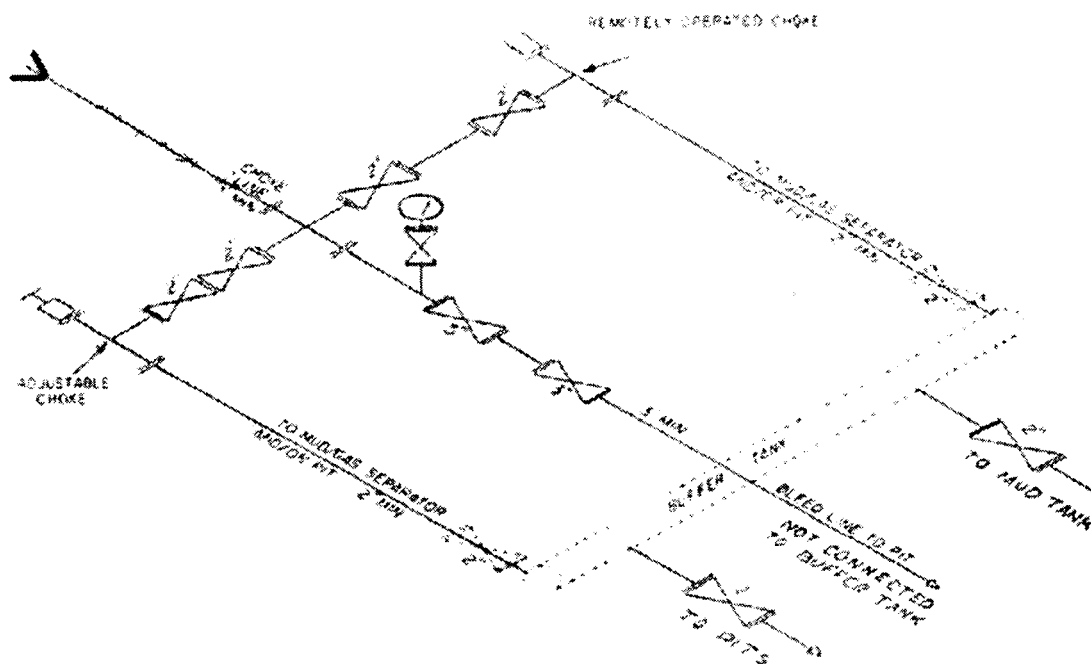
Cactus Rose Federal 29-44-2119

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Elevation = 4967' ground level

CHOKE MANIFOLD



3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION MAY VARY

Cactus Rose Federal 29-44-2119

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Elevation = 4967' ground level

iii. 3M system:

- Annular preventers *
- Double ram with blind rams and pipe rams *
- Drilling spool, or blowout preventer with 2 side outlets (choke side shall be 3-inch minimum diameter, kill side shall be at least 2-inch diameter) *
- Kill line (2 inch minimum)
- A minimum of 2 choke line valves (2 inch minimum) *
- 3 inch diameter choke line
- 2 kill line valves, one of which shall be a check valve (2 inch minimum) *
- 2 chokes (refer to diagram in Attachment 1)
- Pressure gauge on choke manifold
- Upper kelly cock valve with handle available
- Safety valve and subs to fit all drill string connections in use
- All BOPE connections subjected to well pressure shall be flanged, welded, or clamped *
- Fill-up line above the uppermost preventer.

Violation: Minor (all items unless marked by asterisk).

Corrective Action: Install the equipment as specified.

Normal Abatement Period: 24 hours.

*** Violation: Major.**

Corrective Action: Install the equipment as specified.

Normal Abatement Period: Prompt correction required.

Elevation = 4967' ground level

API ARRANGEMENT RSRA

STANDPIPE PRESSURE GAUGE

FROM MUD PUMPS

ANNULAR

API ARRANGEMENT RSRA OR RRA

FLOW LINE

FILL-UP LINE

CHOKE MANIFOLD PRESSURE GAUGE

ADJUSTABLE CHOKE

VALVE LEGEND

CHECK VALVE

SAFETY VALVE

Upper Kelly cock valve with handle available

Safety valve and subs to fit all drill strings in use

All valves (except chokes) in the kill line, choke manifold, and choke line shall be a type that does not restrict the flow (full opening).

Pressure gauges in the well control system shall be a type designed for drilling fluid service.

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees and shall be anchored to prevent whip and reduce vibration.

Casing shall be set to a minimum of 300' or 10% of total depth of well.

There will be at least one centralizer on each of the bottom three joints of casing. All casing and well head components will be new or reconditioned and tested to meet or exceed the API standards for which they are intended. Casing collars shall have a minimum clearance of 0.422 inches on all sides in the intermediate or production casing shall equal or exceed the working pressure of the approved BOPE stack.

Surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

Top plugs shall be used to reduce contamination of cement by displacement fluid.

The accumulator shall have sufficient capacity to open the hydraulically controlled choke line valve (if so equipped) close all plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of closing unit pumps. The 3M system shall have 2 independent power sources to close the preventers. Nitrogen bottles may be used as the independent power sources.

Power for the closing unit pumps shall be available to the unit at all times so that the pumps shall automatically start when the closing unit manifold pressure has decreased to a pre-set level.

The BOPE closing unit shall be capable of opening the hydraulically operated gate valve (if so equipped) plus closing the annular preventer on the smallest size drill pipe to be used in 2 minutes, and obtain a minimum of 200 psi above the working pressure while isolated from the accumulator.

The connections subjected to well pressure shall be flanged and clamped. Drilling spool or blowout preventer with 2 outlets.

A well control device shall be installed at the surface that is capable of complete closure of the well bore. This device shall be closed whenever the well is unattended.

Blowout preventer and related equipment shall be installed, used, maintained, and tested in a manner necessary to insure well control and shall be in place and operational prior to drilling the surface casing shoe unless otherwise approved by Permit.

UT-060-3160-1
March, 2001

Bureau of Land Management
Price, Moab and Monticello Field Offices, Utah
Application for Permit to Drill
On-Site Inspection Checklist

Company Tidewater Oil & Gas, LLC Well No. Cactus Rose Federal 29-44- 2119

Location: Sec. 29, T. 21S, R. 19E, Lease No. UTU-76060

On-Site Inspection Date OCTOBER 4, 2006

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100 & 43 CFR § 3160), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:
- | |
|------------------------------|
| <u>Mancos - surface</u> |
| <u>Dakota silt - 2300</u> |
| <u>Dakota sandstone 2490</u> |
| <u>Morrison - 2840</u> |
| <u>Moab Tongue 3540</u> |
| <u>Carmel 4290</u> |
| <u>Navajo 4330</u> |

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation
Expected Oil Zones: Dakota sandstone 2490, Morrison - 2840, Moab Tongue 3540,
Carmel 4290, Navajo 4330

Expected Gas Zones: _____

Expected Water Zones: _____

Expected Mineral Zones: _____

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures: _____
3000 psi BOP

All BOP rams will be tested to 2500 psi. All valves and the choke manifold will also be tested to 3000 psi

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

4. Casing Program and Auxiliary Equipment -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): _____

Surface Casing: 8 5/8", 24 #/ft. K55, STC new pipe set @ 500'

Production String: 5 1/2", 15.5#/ft. K55, STC, new pipe set @ 5300'

5. Cement -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: Surface Pipe: Lead = 125 sx, 287 cf, 51 bbl, Prem lite +8% bentonite +2% cc+ .25 #/sx cello flake, 2.28 cf/sx, 12 ppg Tail = 100 sx, 141 cf, 25 bbl, Type III + .5 #/sx cello flake + 2% CC, 1.41 cf/sx, 14.5 ppg

Production Casing: Lead = 1st stage= 478.6 cf, 85 bbls, 338 sx (50 50) Poz Type III cement + 0.05 #/sx static free+ .4% bwoc %-3 + 0.0% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx Through DV tool. 2nd stage = 315.8 cf, 56 bbls, 223 sx (50 50) Poz Type III cement + 0.05 #/sx static free+ .4% bwoc %-3 + 0.0% bwoc FL-62 + 1% bwoc Sodium metasilicate + 1 gal/100 sx FP=13L + 68% fresh water, wt= 13.5 ppg, yield = 1.42 cf/sx. Centralizers will be run on bottom 3 joints & across any potential producing zone. All potential producing intervals will be covered with cement.

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: Air drilling is planned for the surface hole and down to the Dakota formation. A low solids fresh water mud system is planned from that point to TD.

A gel/soda ash (no caustic) mud with Drispac-R, use about 7-10 #/BBL GEL & Pac to get a 32-34 funnel vis. A WL around 10-12 will be programmed. 2% CaCl will be used for shale inhibition. Additional inert, non-toxic additives could be utilized if conditions dictate.

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonable be expected.

7. Coring, Logging and Testing Program: _____
_____ A resistivity log, Gamma Ray, Neutron Log, Sonic and Dip meter logs from total
depth to surface casing are planned to be run on this well. _____
_____ No DSTs are scheduled on this well. _____
8. Initial opening of drill stem test tools will be restricted to daylight hours.
Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated
bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones,
abnormal temperature zones and possible hydrogen sulfide bearing zones: _____
Bottom hole pressures are anticipated to be normal hydrostatic. No Abnormal pressures
are anticipated. _____
- An automatic igniter will be installed when drilling potential producing zones when drilling
with air. _____
9. Any Other Aspects of this Proposal that should be Addressed: _____

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:
- a. Proposed route to location (submit a map depicting access and well location).
- b. Location of proposed well in relation to town or other reference point:
Proposed well is located approximately 2 mi. north of Crescent Junction . The well
is located 25 miles east of Green River, UT north of the frontage road. _____

- c. Not applicable - Contact the County Road Department for use of county roads. The
use of Grand County roads will require an encroachment permit from the Grand
County Road Department.
- d. Plans for improvement and/or maintenance of existing roads: _____
No improvement is required or anticipated for existing roads.
All damage will be repaired to existing condition prior to drilling activity. _____

- e. Other: _____

2. Planned Access Roads: New Construction

- a. Location (centerline): New construction for the location is flagged and shown on attached surveyed map. Existing road is immediately adjacent to the proposed location.
- b. Length of new access to be constructed: No new road construction is required
- c. Length of existing roads to be upgraded: None
- d. Maximum total disturbed width: 25 ft at necessary curves
- e. Maximum travel surface width: 15-20 ft at necessary curves
- f. Maximum grades: NA
- g. Turnouts: at road intersections
- h. Surface materials: Native materials will be used for the surface. If required, crushed gravel will be placed in strategic locations.
- i. Drainage (crowning, ditching, culverts, etc): The road will be flat bladed during drilling. It is estimated that no culverts will be necessary. Road will be upgraded as needed for production.
- j. Cattleguards: No cattle guards will be required
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: Existing: the APD is being used as the right-of-way application. No off-lease road would be constructed
- l. Other: Calcium Chloride or Mag Chloride will be used on the new road construction to stabilize the soils.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by BLM in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the

lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the BLM.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: there are two wells within one mile of the proposed well
The Tidewater 32-3 is currently SI waiting on further completion and the MSC 1-32 is being abandoned at this time

4. Location of Production Facilities:

- a. On-site facilities: Not known at this time. Possible facilities are oil tanks, water tank, dehydrator, meter run, and separator
- b. Off-site facilities: Unknown at this time
- c. Pipelines: Unknown at this time.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: match the soils and vegetation

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas

production and measurement shall comply with the provisions of 43 CFR § 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Water will be obtained from the City of Thompson Springs, Ut

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Construction material will come from native material obtained from cut and fill. Additional material or gravel will be obtained from a commercial facility in Green River or Moab Utah

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with (native material, bentonite, synthetic material): native on-site clay soils is planned to be used.

The reserve pit will be located: see diagram

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities: None

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from: the access road entering from the northerly direction.
Access is depicted on plat _____

The blooie line will be located: from rotating head and proceed at an angle past the mud pit to a blooie pit, at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Water spray to wet dust

10. Plans for Restoration of the Surface:

The top 2 inches of topsoil material will be removed from the location and stockpiled separately on: edge of well pad

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Oct 1 and Dec 15, or at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: fourwings saltbush, shadscale, nuffalls saltbush
and Indian rinegrass – all @ 3#/ac Pure line seeds (PLS) will be used

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements: _____

11. Surface and Mineral Ownership: Federal surface and minerals

12. Other Information:

a. Archeological Concerns: There are no archeological concerns at this location or
on the access route proposed. Montgomery Arch Consultants performed a survey
with nothing being found. Survey on file.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 5, 2006

Tidewater Oil & Gas, LLC
1645 Court PL, #301
Denver, CO 80202

Re: Cactus Rose Federal 29-44-2119 Well, 802' FSL, 1273' FEL, SE SE, Sec. 29,
T. 21 South, R. 19 East, Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31511.

Sincerely,

Gil Hunt
Associate Director

mf
Enclosures

cc: Grand County Assessor
Bureau of Land Management, Moab District Office

Operator: Tidewater Oil & Gas, LLC
Well Name & Number Cactus Rose Federal 29-44-2119
API Number: 43-019-31511
Lease: UTU-76060

Location: SE SE **Sec.** 29 **T.** 21 South **R.** 19 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76060
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: Salt Valley Anticline
2. NAME OF OPERATOR: Tidewater Oil & Gas, LLC		8. WELL NAME and NUMBER: Cactus Rose 29-44-2119
3. ADDRESS OF OPERATOR: 1645 Court Pl., Suite 310 CITY: Denver STATE: CO ZIP: 80202		9. API NUMBER: 4301931511
4. LOCATION OF WELL FOOTAGES AT SURFACE: 802 FSL, 1273 FEL		10. FIELD AND POOL, OR WILDCAT: Federal
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 29 21S 19E		COUNTY: GRAND
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/12/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SURFACE CASING
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

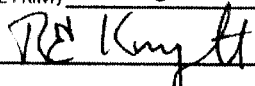
8 5/8", 24 #/FT, J-55 STC, 12 jts to 495' (KB).

Cement surface casing with 330 sx, 28.8 BBLS, Type III cement w/ .2% Versaset, .125 #/sx poly flake, 2% CaCl. 14.5 ppg
Good returns. Est. 32 bbls to pit

RECEIVED

JUN 02 2007

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) RE Knight	TITLE Agent
SIGNATURE 	DATE 6/7/2007

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-76060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Salt Valley Anticline

8. WELL NAME and NUMBER:
Cactus Rose 29-44-2119

9. API NUMBER:
4301931511

10. FIELD AND POOL, OR WILDCAT:
Wildcat

1. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER

2. NAME OF OPERATOR:
Tidewater Oil & Gas, LLC

3. ADDRESS OF OPERATOR:
1645 Court Pl., Suite 310 Denver CO 80202

PHONE NUMBER:
(303) 468-0656

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 802 FSL, 1273 FEL

COUNTY: GRAND

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 29 21S 19E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 3/25/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Production CASING</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

5 1/2", 15.5 #/FT, J-55 STC, 118 jts @ o 4669' (KB). DV tool set @ 3584

'Centralizers 2 4623, 4540, 4271, 4157, 4045, 3924, 3850, 3697, 3626, 3585, 3509, 3473, 3266, 2380, 2300. 2184 - Total 16 BBaskets @ 4120, 3626, 3509, 3399, 2414 - Total 5

'1st stage= 540 cf, 96 bbls, 373 sx, Halli CBM lite Type III cement + 2% gel, 0.6% Halad 23, 0.3% halad 322, 0.3% Verset, 0.2% Super CBL, 0.2% HR-2, 1/8 #/sx poly flake + 5#/ sx gilsonite + 6.39 gal/sx fresh water, wt= 13.5 ppg, yield = 1.45 cf/sx

2nd stage = Lead = 240 cf, 43 bbl, 100 sx, 25/75 SJ Poz, 8% gel, 10% lime, .0125 #/sx polyflake

Tail = 660 cf, 117 bbls, 455 sx, Halli CBM lite Type III cement + 2% gel, 0.6% Halad 23, 0.3% halad 322, 0.3% Verset, 0.2% Super CBL, 0.2% HR-2, 1/8 #/sx poly flake + 5#/ sx gilsonite + 6.39 gal/sx fresh water, wt= 13.5 ppg, yield = 1.45 cf/sx

Good returns throughout job

NAME (PLEASE PRINT) RE Knight

TITLE Agent

SIGNATURE

DATE 6/5/2007

(This space for State use only)

RECEIVED

JUN 12 2007

(5/2000)

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

From: "R.E. Knight" <goldenknightre@yahoo.com>
To: Carol Daniels <caroldaniels@utah.gov>
Date: 7/6/2007 6:11 AM
Subject: Re: Tidewater Oil & Gas - Cactus Rose 29-44-2119 - Sundry notices

Spudded Dec. 6, 2006.
Beamen Rig #3

Thank you

--- Carol Daniels <caroldaniels@utah.gov> wrote:

> I do not have the dry spud date for this well,
> Cactus Rose Fed 29-44-2219. I cannot change the
> status of this well to drilling until I have this
> information and the name of the Spud contractor.
>
> Carol Daniels
>
>
> >>> "R.E. Knight" <goldenknightre@yahoo.com>
> 6/12/2007 8:54 PM >>>
>
>
>
>

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: TIDEWATER OIL & GAS COMPANY, LLC

Well Name: CACTUS ROSE FED 29-44-2119

Api No: 43-019-31511 Lease Type: FEDERAL

Section 29 Township 21S Range 19E County GRAND

Drilling Contractor BEAMEN RIG # 3

SPUDDED:

Date 12/06/06

Time

How DRY

Drilling will Commence:

Reported by R E KNIGHT

Telephone # (303) 468-0656

Date 07/06/07 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Tidewater Oil & Gas, LLC Operator Account Number: N 3000
Address: 110 16TH Street, Suite 1220
city Denver
state CO zip 80202 Phone Number: (303) 468-0656

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931466	Tidewater ST 23-5		SESE	23	21S	23E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16258	7/2/2007			7/26/07	
Comments: <u>WINGT</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931511	Cactus Rose Fed 29-44-2119		SESE	29	21S	19E	GRAND
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	16259	12/6/2006			7/26/07	
Comments: <u>NAVA</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments: 							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

R.E. KNIGHT

Name (Please Print)

Signature
AGENT

6/13/2007

Title

Date

JUL 25 2007

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: Tidewater Oil & Gas Company, LLC

Today's Date: 09/18/2007

Well:

API Number:

Drilling Commenced:

Cactus Rose Fed 29-44-2119 drlg/wcr

4301931511

12/06/2006

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76060
2. NAME OF OPERATOR: TIDEWATER OIL AND GAS COMPANY LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 110 16TH ST., STE 1220 CITY DENVER STATE CO ZIP 80302-5202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: FEDERAL 29-44-2119
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SEC. 29 21S 19E		9. API NUMBER: 4301931511
COUNTY: GRAND		10. FIELD AND POOL, OR WILDCAT: SALT VALLEY ANTICLINE
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SHUT IN
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

WAITING ON WELL COMPLETION.

NAME (PLEASE PRINT) <u>ERIK LARSEN</u>	TITLE _____
SIGNATURE <u><i>Erik Larsen</i></u>	DATE <u>9/28/2007</u>

(This space for State use only)

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OCT 03 2007

DIV. OF OIL, GAS & MINING

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
 - Form 8, Well Completion or Recompletion Report and Log
 - A copy of electric and radioactivity logs, if run
 - A copy of drillstem test reports,
 - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
 - A copy of core analyses, and lithologic logs or sample descriptions if compiled
 - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: Tidewater Oil & Gas Company, LLC Today's Date: 11/27/2007

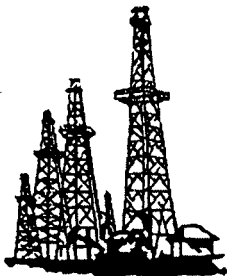
Well:	API Number:	Drilling Commenced:
Cactus Rose Fed 29-44-2119 wcr	4301931511	12/06/2006

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File



*Petroleum and Energy Consultants
Registered in Rocky Mountain States
Oil & Gas Production*

BURKHALTER ENGINEERING, INC.

751 Horizon Ct., Suite 245
P.O. Box 60095
Grand Junction, Co 81506
Telephone (970) 243-6060
Fax (970) ~~243-6060~~ 243-6060
Mobile (970) 260-0765

January 2, 2008

Bureau of Land Management
Moab District
82 East Dogwood
Moab, UT 84532

Re: Tidewater Oil & Gas Company LLC
Completion Report and Log
Cactus Rose Fed 29-44-2119
SESE Sec 29, T21S, R19E
Grand County, UT

To Whom It May Concern:

Enclosed is the referenced Completion Report and a copy of the Dual Induction Guard Log, Compensated Density, Compensated Neutron and Gamma Ray Logs, all on one presentation.

I believe this information is what the BLM requires. If more information is required, please call and I will promptly supply whatever additional information is needed.

Very truly yours,


J. N. Burkhalter, PE

cc: Tidewater Oil & Gas Company LLC
Utah Division of Oil, Gas and Mining

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JAN 07 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. UTU-76060							
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____		6. If Indian, Allottee or Tribe Name _____							
2. Name of Operator TIDEWATER OIL & GAS COMPANY LLC		7. Unit or CA Agreement Name and No. Salt Valley Anticline							
3. Address 110 16th St, Ste 1220, Denver, CO 80202		8. Lease Name and Well No. Cactus Rose Fed 29-44-2119							
3a. Phone No. (include area code) 303-468-0656		9. AFI Well No. 43-019-31511							
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 802 FSL, 1273 FEL, SESE, Sec 29, T21S, R19E, SLM At top prod. interval reported below Same At total depth Same		10. Field and Pool, or Exploratory Exploratory							
14. Date Spudded 12/08/2006		15. Date T.D. Reached 03/22/2007							
16. Date Completed 11/10/2007 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		17. Elevations (DF, RKB, RT, GL)* 4967 Grnd, KB 10'							
18. Total Depth: MD 4715 TVD 4715		19. Plug Back T.D.: MD 4650 TVD 4650							
20. Depth Bridge Plug Set: MD NA TVD NA		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Density Gamma Ray, DI w/ Comp Density, Comp Neut & Gamma Ray							
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)		23. Casing and Liner Record (Report all strings set in well)							
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4	8 5/8 J55	24	Surface	495	NA	330 Type III	67 bbls	Circulated	None
7 7/8	5 1/2 J55	15.5	Surface	4669	3584	373 Type III	96 bbls		
						555 Type III	143 bbls	700	None
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2 7/8	4466	NA							
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Wingate	4454	4466	4454 to 4466	0.4"	24	Open			
B)									
C)									
D)									
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
4454 to 4466		1500 gal 15% HCl + 400 gal xylene + 100 gal musol w/ 50 ball sealers. Balled out							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/10/2007	11/23/2007	24	→	8.35	<10 mcf/d	<1 bbl	35	0.5764	Pumping Unit
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. <50	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA			→	8.35	<10 mcf/d	<1 bbl	<1000	Producing	
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

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JAN 07 2008

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Dakota	2292	2320	Sandstone, Possible Oil, gas and/or water	Dakota Silt	2124
Curtis-Moab Tongue	3122	3170	Shaly Sand, Possible oil, gas or water	Curtis - Moab Tongue	3122
Entrada	3226	3534	Petrified sand dunes, Probably water	Navajo	3790
Navajo	3790	4427	Petrified sand dunes, Possible oil, gas	Chinle	4543
Wingate	4427	4543	Massive ss, oil, gas & water		

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) J. N. BurkhalterTitle Agent

Signature

J. N. Burkhalter

Date

Jan 2, 2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
Mead Field Office
2010 APR -8 PM 4:10

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.
UTU76060

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Tidewater Oil & Gas Company, LLC

8. Well Name and No.
Cactus Rose Federal 29-44-2119

3a. Address
110 16th Street, Suite 405
Denver, CO 80202

3b. Phone No. (include area code)
303-468-0656

9. API Well No.
4301931511

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
802 FSL and 1273 FEL
SESE Sec. 29, T21S, R19E

10. Field and Pool or Exploratory Area
Exploratory

11. Country or Parish, State
Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Operator Change</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

As of 4/1/2010, Tidewater Oil & Gas Company, LLC is responsible for all operations having to do with the referenced well. Bond coverage for this well is provided by BLM bond number UTB000211.

RECEIVED
APR 14 2010

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Walter Lowry

Title Engineer

Signature

Date

04/07/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACCEPTED

Title

Division of Resources
Mead Field Office

Date

4/9/2010

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

cc. UODEM 4/9/10

Conditions Attached

Tidewater Oil & Gas Company, LLC
Well No. 29-44-2119
Section 29, T21S, R19E
Lease UTU76060
Grand County, Utah

CONDITIONS OF ACCEPTANCE

Acceptance of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Tidewater Oil & Gas, LLC is considered to be the operator of the above well effective April 1, 2010, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UTB000211 (Principal – Tidewater Oil & Gas Company, LLC) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43CFR 3106.7-2 continuing responsibility are met.